

TS-172682

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2 June 1960

MEMORANDUM FOR: Mr. Edward Saunders
Chairman, Cost Estimates Committee

SUBJECT : Cost Estimates Data for FY-1959

1. It is now quite clear that a majority of the USIB agencies, at least on the working level, prefer to modestly shroud their fiscal and management charms under a well-integrated Mother Hubbard rather than to proudly frame them in a cut-down bikini. Under these circumstances, it is not profitable to continue our current efforts to develop community cost data that would be: effective as a management tool for the DCI and the USIB, useable as a basis for the development of recommendations by the President's Board of Consultants, and appropriate to answer the interests of the Bureau of the Budget. At some future date, we may be able to resume our cost data efforts in a more favorable climate.

2. For the present, it is still my hope that the Agency can see its way clear to join forces with the Joint Staff in presenting their respective cost data for FY-1959 in at least the same degree of detail as we have in past years, i.e., set out Auxiliary Activity costs separately as originally planned. If it should be the Community consensus to use, in future years, the same "integrated" format they propose for FY-1959, there will be little need for coordination -- it will suffice to simply tabulate the data submitted, strike community totals and transmit the material to the USIB without comment.

3. Under separate cover, I am forwarding the following material for your Cost Committee files:

a. A basic cost estimates file (Intelligence Community Costs/Budget) containing 1956-58 data, proposals to the USIB, etc.

b. Cost Estimates data books, with charts, Nos. 21, 23, 25, 27, and 29. Two of these books should be earmarked for use of DCI

DOC	6	REV DATE	1 APR 1961	BY	
ORIG COMP		OPI	38	TYPE	01
ORIG CLASS	I	PAGES	3	REV CLASS	S
JUST	22	NEXT REV	2011	AUTH:	HR 10-2

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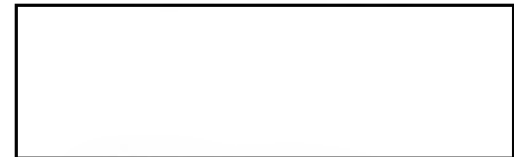
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and DDCI, and copies of the final report should be added in place of the present draft report.

c. Cost Estimates data folders, without charts, Nos. 22, 24, 26, 28, 30, and 32.

d. Thirteen sets of the material deleted or revised as a result of the decision to "integrate" all Auxiliary Activity costs, Nos. 3, 4, 5, 6, 9, 10, 11, 12, 13, 14, 15, 16, 17, and 18. (It is recommended that this material be retained, at least until USIB has formally approved the 1959 report.)

4. This office is retaining its working files, the original of the chart and tabulation data, Cost Estimates Data book No. 1 and Folder No. 2. We also have several large display charts showing data for the four-year period 1956-1959 and indicating the differences between the "integrated" method of presentation and that used in previous years. It is believed that the Director should be well briefed on this matter prior to final USIB action on the 1959 report.



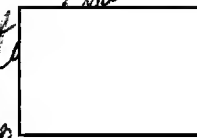
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Assistant to the
Deputy Director (Coordination)

Attachments: A/S

- a. Intell. Community Costs/Budget folder - incl. 7 TS papers
 - ✓ TS-164758 - 16 Oct 57; TS-164753 - 9 Oct 57; TS-165046 - June 58;
 - ✓ TS-165046/a - 23 June 58; TS-151795 - 2 Jul 58; TS-74952 - 2 Jul 58
 - ✓ *TS 141167-7 July 1958*
- b. Cost Estimates data books for FY-59 - 5 TS books
 - ✓ CY 21 - TS-172571 - 5 pgs. total, TS-172571a - 48 pgs. total *(To Sec, USIB) 6/14/60*
 - ✓ CY 23 - " " " "
 - ✓ CY 25 - " " " "
 - ✓ CY 27 - " " " "
 - ✓ CY 29 - " " " "
- c. Cost Estimates data folders (revised without charts) - 6 TS books
 - ✓ CY 22 - TS-172571 - 3 pgs. total, TS-172571a - 15 pgs. total
 - ✓ CY 24 - " " " "
 - ✓ CY 26 - " " " "
 - ✓ CY 28 - " " " "
 - ✓ CY 30 - " " " "
 - ✓ CY 32 - " " " "
- d. Old Cost Estimates materials - 13 TS sets

materials ret'd 6/21/60
All att'd



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- d. CYs 3, 5, 9, 13, 15, 21, 23, 25, 27, 29, 31 includes the following material:
TS-172571 - pgs. 3-6
TS-172571a - charts 1-27, 30-38; tabs 1, 2, 5-9; notes 33-37

CYs 4, 6, 10, 14, 16 includes the following material:
TS-172571 - pgs. 3-6
TS-172571a - tabs 1, 2, 5-9; notes 33-37

CY 11 includes the following material:
TS-172571 - pgs. 3-5
TS-172571a - charts 1-5, 7-27, 30-38; tabs 1, 2, 5-9; notes 33-37

CY 12 includes the following material:
TS-172571 - pgs. 3-5
TS-172571a - tabs 1, 2, 5-9; notes 33-37

CY 17 includes the following material:
TS-172571 - pgs. 3-5
TS-172571a - charts 1-27, 30-38; tabs 1, 2, 5-9; notes 33-37

CY 18 includes the following material:
TS-172571 - pgs. 3-5
TS-172571a - tabs 1, 2, 5-9; notes 33-37

6/21/60

*Cy#3 of 172571 and 172571/A retained in
Comptroller's Office for black book -
Cy#21 of 172571 and 172571/A forwarded to
Secretary, OSIB, for use by General Cabell-*